



Tentative Spokane Tribe - State Gaming Compact Media Summary

December 28, 2006

Key Message

Tribal and State negotiators have agreed to submit a tentative Compact to the Spokane Tribe's Membership and the Washington State Gambling Commission.

Spokane Tribal Chairman Richard Sherwood Quotes

"With mutual respect and consideration for the issues important to both our Tribe and Washington State, and with the positive leadership of Governor Gregoire and the Gambling Commission's negotiating team, we have reached a proposed Compact which will serve the Tribe and State well."

"This proposed Compact promises to benefit not only our Tribe but the entire region as well, creating needed jobs and boosting the local economy. The proposed Compact also ensures that Spokane Indian Gaming stays limited and well regulated."

"With the additional funds from gaming, our Tribal Council will work to improve health care for our Elders, provide higher education for our children and build an infrastructure which will improve our Reservation economy for generations to come." "We have listened to our friends and neighbors and will address their concerns. This will be a new day for the Spokane tribe and our neighbors."

Governor Gregoire Quote

"I'd like to thank the Spokane Tribe and state negotiators for their hard work to reach this tentative agreement and their willingness to address my concerns. The ability to reach this agreement after a long negotiations process demonstrates the positive relationship between the Tribe and State."

Highlights of the Agreement

- The Tribe leads the way in committing financial support to problem gambling and smoking cessation programs
- Strengthens the regulation of gambling in Washington

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- Maintains the structure of Tribal-State Gaming Compacts in Washington
- Continues the approach of limiting gambling operations
- Ensures the Tribe is the primary beneficiary of gambling
- Acknowledges and continues the Tribe's contributions and investments to the community, which benefit both tribal and non-tribal members
- Continues to provide a mechanism for the sharing of gaming revenue with other Tribes
- Resolves years of negotiations and litigation between the Tribe, State, and Federal Government

Community Investments and Contributions Benefit Tribal and Non-Tribal Members

The Tribe will continue to invest in the health and welfare of the community by providing for programs that benefit everyone, such as law enforcement and governmental services, health care, job training, and public works. The Tribe may distribute Community Investments and Contributions directly to local jurisdictions or qualifying programs, and it will provide a report to the state of its distributions each year.

Problem Gambling Contribution

The Spokane Tribe is the first Tribe to contribute 0.13 percent of its net win (gross receipts minus prizes paid) to problem gambling support services. This is the same percent other non-tribal gambling businesses contribute to problem gambling support services. The Tribe will make payments to the Department of Social and Health Services, Division of Alcohol and Substance Abuse, and will receive credit for any payments made to other organizations directly related to helping reduce problem gambling.

Smoking Cessation Contribution

In addition to its problem gambling contribution, the Spokane Tribe is the first Tribe to set aside 0.13 percent of its net win for contributions dedicated to reduce smoking. Contributions fund antismoking advertisements or nonprofit organizations with the primary purpose of discouraging tobacco use. However, if the Tribe operates all of its gaming facilities as smoke-free facilities, it will not need to make the smoking cessation contribution.

Authorized Gaming Activities

The tentative Spokane Compact contains limitations on gambling present in other Tribal-State Compacts. Among other provisions of interest, the proposed Compact authorizes the Tribe to:

- Conduct gaming at up to five facilities and operate a combined total of up to 4,700 tribal lottery system player terminals at those locations (a provision similar to other tribes with large reservations)
- Operate not more than a combined maximum total of 1,500 player terminals for the first three years after the Compact becomes effective
- Operate up to 1,500 player terminals at a facility (with the possible option to operate up to 2,000 player terminals at one specifically designated location)
- Offer wagers of up to \$20 on 15 percent of the player terminals at each facility

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- Operate player terminals that initiate game play through the insertion of U.S. coins or currency
- Offer up to 75 gaming tables at one designated facility and up to 50 tables at other authorized facilities
- Determine the hours of operation for each facility
- Offer higher wagering limits and credit for pre-screened customers at five gaming tables at one designated facility (during a specified time period of up to 120 days each year)
- Offer gaming activity at a designated resort complex

The Process from Here

- 1. Formal notification about the proposed Compact to the Governor, Legislature, and Local Government Officials, and others
- 2. Public hearing within 30 days after the legislature receives the proposed Compact
- 3. Gambling Commission Public Hearing on February 8, 2007, to decide whether to forward the proposed Compact to the Governor
- 4. The Spokane Tribal Chairman's final consideration and signature
- 5. The Governor's final consideration and signature
- 6. Secretary of the United States Department of Interior consideration, signature, and publication

At the End of the Process

Provided all parties approve the Compact, the Tribe will convert its gaming operations to comply with the Compact.

For Questions

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